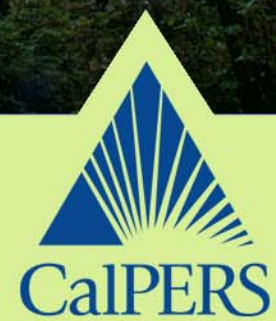




SMART INVESTING FOR **YOUR RETIREMENT.**



CALPERS SUPPLEMENTAL INCOME PLANS



Planning for Retirement



Experts recommend that you should have at least 70% of your current salary at retirement to maintain your current lifestyle

- \$50,000 per year X 70% = \$35,000 per year

Sources of Income at Retirement



- Social Security
- Part-Time Job
- IRA/Personal Savings
- CalPERS Pension (Defined Benefit)
- CalPERS Supplemental Income 457 Plan (Defined Contribution)

Sources of Income at Retirement



- **CalPERS Pension (Defined Benefit)**
 - 2% @ 55
 - 25 yrs x 2% = 50% of salary
 - Service Credit Purchase

Sources of Income at Retirement



- **CalPERS Supplemental Income 457 Plan (Defined Contribution)**
 - Voluntary
 - Tax-deferred
 - Earnings are reinvested on pre-tax basis
 - Distributions are taxed as ordinary income

Questions



- How much SHOULD I save?
- How much CAN I save?

You Can Save More!



Contribution Per Pay Period	Approximate Impact on Take-Home Pay*
\$25	\$16
\$50	\$32
\$100	\$63
\$125	\$79
\$150	\$95

2009 Annual Limits



- Normal Contribution: \$16,500
- Age 50 Catch-Up: \$22,000
(= \$16,500 + \$5,500)
- Special Catch-Up: \$33,000
(= \$16,500 + \$16,500)

What Are My Investment Options?



- Core Funds
 - Select an appropriate allocation from any of the investment options
- CalPERS Risk Based Asset Allocation Funds
 - Just identify your personal risk tolerance
- CalPERS Target Retirement Date Funds
 - Just select the one closest to your retirement date

Transfers & Rollovers



- May transfer/rollover into the Plan from other eligible plans (457, 401(k), 403(b), IRA)
 - Consolidate your assets
 - Does not affect your annual limits
 - Withdrawal penalties governing 401(k) Plans, 403(b) Plans and IRAs still apply

Distributions



- Must separate from service with your current employer
 - Taxed as ordinary income when you receive it
- **NO** Early Withdrawal Penalties
 - No 10% excise tax prior to reaching age 59 ½
- Distributions are Portable and Flexible
 - Lump sum, Installment, Rollover to other plan
 - Start, stop, increase, decrease
 - Keep it with CalPERS

Managing Your Account



- On-line and quarterly statements
- 24/7 account access via Internet
 - <https://calpers.ingplans.com>
- Toll-free telephone
 - (800) 260-0659

So Now What Do I Do?



- Complete the Employee Action Form
- Decide how much you would like to contribute
- Select fund(s) appropriate for your style of investing



THANK YOU !

Eric Cole, CRC

Account Manager

CalPERS Supplemental Income 457 Plan

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